SINGH); (a) and (b) GqVernment have seen reports to the effect that Pakistan has tested an indigenously developed air-to-air missile with a Grange of 10 Kms on June 21st.

(c) Government keep under constant review the developments with a bearing on India's security and take all necessary counter-measures.

Merger of Hotel Corporation of India with I.T.D.O.

987. SHRI T. R. BALU;
SHRI V.. GOPALSAMY;

Will the Minister of CWIL AVIATION AND TOURISM be pleased to refer to the answer to Unstarred Question 2268 given in the Rajya Sabha on the 15th March, 1989 and , State^

(a) whether the modalities of mer ger of Hotel Corporation of India with I.T.D.C. have been finalised;

(b) if so, what are the details thereof;-and

(c) if the answer to part (a above be in the negative, by when it is likely to be finalised?

THE MINISTER OF STATE FOR CIVIL' AVIATION AND TOURISM (SHRI SHIVRAJ PATJL) > (a) tqg** The modalities of the merger of Botel^ Corporation of India with ITDC are istili under examination of thg Government. In view of the complexities of the issues involved, no time frame can be specified about arriving at a final decision.

Financial condition of Cocfoins Shipyard Ltd.

988. SHRI N. E. BALARAM; SHRI GURUDAS DAS GUPTA; Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether it is a fact that the Cochin shipyard Ltd. ig in great financial distress;

(b) if so, what are the latest details in this regard; and

(c) whether Govt. have made any attempts to improve its performance; if so, what are the details with results?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI RAJESH PILOT): (a; to (c) CSL is facing some financial difficulties on account of . acute cash flow position caused by unremunerative prices fixed for the vessels and heavy interest liability on the loans advanced to the shipyard. -Various remedial measures for improving the financial health of th« Company including revision of pricing formula, restructurng the capital base, interest holiday, moratorium on all loans upto 31.3.89, reimbursement of cash losses, import duty concessions, increasing the cash credit limit with the State Bank, etc. are under examination,

CIA's statement regarding 'Agni'

* 989. SHRI N. E. BALARAM: ′
SHRI GURUDAS DAS GUPTA:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

a) whether Government's attention has been drawn, to the reoprted CIA's statement that "Agni" was not indigenous but a product of technology transferred by the U.S.A. and West Germany; and

(b) if so, what is Government's ireaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH): (a) Yes, Sir.

(b) Government of India has (repeatedly asserted that the Agni